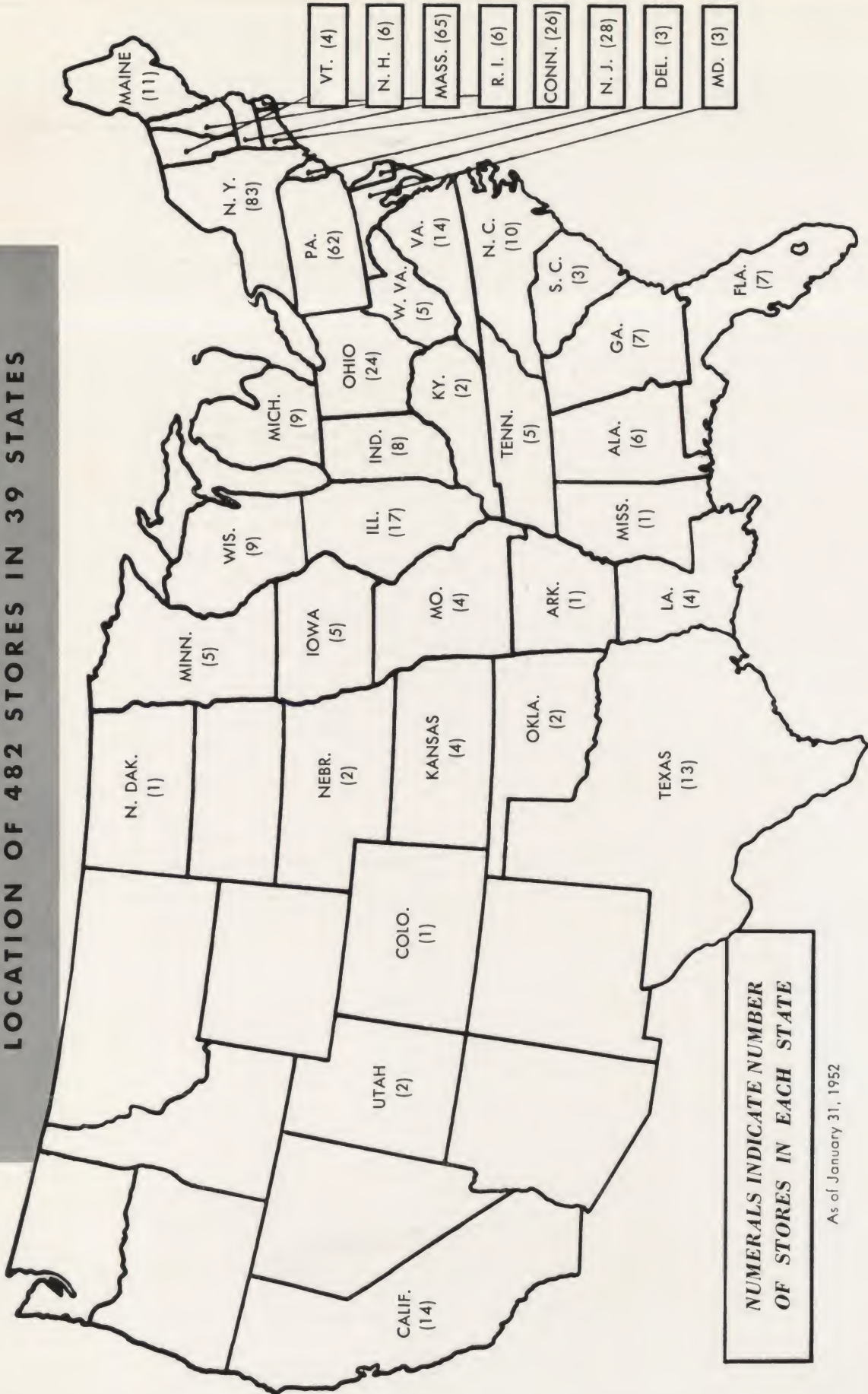


W. T. GRANT
COMPANY

*Annual
Report
1951*

BOARDS
9668.27
G7673r

LOCATION OF 482 STORES IN 39 STATES



NUMERALS INDICATE NUMBER OF STORES IN EACH STATE

As of January 31, 1952

W. T. GRANT COMPANY

(founded in 1906 at Lynn, Mass.)

Executive and Buying Offices

1441 Broadway, New York 18, N. Y.

Board of Directors

WILLIAM T. GRANT, *Chairman*

JOHN G. BYLER
JOSEPH W. CHINN
HOWLAND S. DAVIS
RAYMOND H. FOGLER
CLAYTON E. FREEMAN
PERRIN C. GALPIN
HERBERT K. GARGES

JOHN M. HANCOCK
WILLIAM L. KLEITZ
J. LUTHER KNIES
LOUIS C. LUSTENBERGER
WARD MELVILLE
EDWARD STALEY
ROBERT R. UPDEGRAFF

Officers

<i>Chairman of the Board</i>	WILLIAM T. GRANT
<i>President and General Manager</i>	EDWARD STALEY
<i>Executive Vice President</i>	LOUIS C. LUSTENBERGER
<i>Financial Vice President and Treasurer</i>	JOHN G. BYLER
<i>Merchandise Vice President</i>	J. LUTHER KNIES
<i>Vice President</i>	GORDON ANDERSON
<i>Vice President</i>	M. O. BOXWELL
<i>Vice President</i>	E. J. STINNEFORD
<i>Comptroller</i>	M. F. KETZ
<i>Secretary</i>	CHARLES W. RIVOIRE
<i>Assistant Comptroller</i>	GEORGE W. MIDDLETON
<i>Assistant Treasurer</i>	WARREN G. FINNAN

BANKERS TRUST COMPANY, NEW YORK, N. Y. *Registrar*
GUARANTY TRUST COMPANY OF NEW YORK *Transfer Agent*



SOUTHGATE, MILWAUKEE, WIS

. THE STORY IN BRIEF

	FISCAL YEARS	
	1951 <small>(Ended January 31, 1952)</small>	1950 <small>(Ended January 31, 1951)</small>
Sales.....	\$268,332,908	\$250,573,987
Earnings before taxes.....	\$ 19,236,547	\$ 15,937,551
Federal income taxes.....	\$ 11,720,000	\$ 7,835,000
Net earnings after taxes.....	\$ 7,516,547	\$ 8,102,551
Cents per sales dollar.....	2.8¢	3.2¢
Earnings per common share.....	\$2.90	\$3.16
Dividends paid per preferred share.....	\$3.75	\$3.75
Dividends paid per common share.....	\$1.50	\$1.50
Federal income taxes per common share.....	\$4.89	\$3.29
Total dividends paid for fiscal year.....	\$ 4,149,478	\$ 4,134,660
Total wages and salaries.....	\$ 42,118,572	\$ 38,370,166
Other employee benefits.....	\$ 2,998,788	\$ 2,711,181
Total compensation and employee benefits.....	\$ 45,117,360	\$ 41,081,347
Cents per sales dollar.....	16.8¢	16.4¢
Total federal, state, and local taxes.....	\$ 16,614,556	\$ 12,391,770
Merchandise inventories	\$ 34,807,085	\$ 35,708,947
Working capital	\$ 41,562,418	\$ 41,711,739
Book value common stock — per share.....	\$26.20	\$24.78
Number of common stockholders.....	6,123	5,690
Number of preferred stockholders.....	809	782
Number of stores in operation at year-end.....	482	477

W. T. GRANT COMPANY

1441 Broadway, New York, N. Y.

To the Stockholders:

This is our 45th annual report to stockholders. It includes, for the fiscal year ended January 31, 1952, comparative financial statements of our Company, certified by Ernst & Ernst, independent public accountants appointed by the Board of Directors.

SALES . . . Sales for the year reached an all-time peak of \$268,332,908, an increase of \$17,758,921, or 7.1% over 1950.

As shown in a 45 year statistical summary included in this report, annual sales have increased over the preceding years in each of the 45 years, except 1932, 1938, and 1949.

EARNINGS . . . The net earnings after taxes for 1951 amounted to \$7,516,547, which after dividends on the preferred stock, equalled \$2.90 per share of common stock on 2,395,963 shares outstanding at the year end.

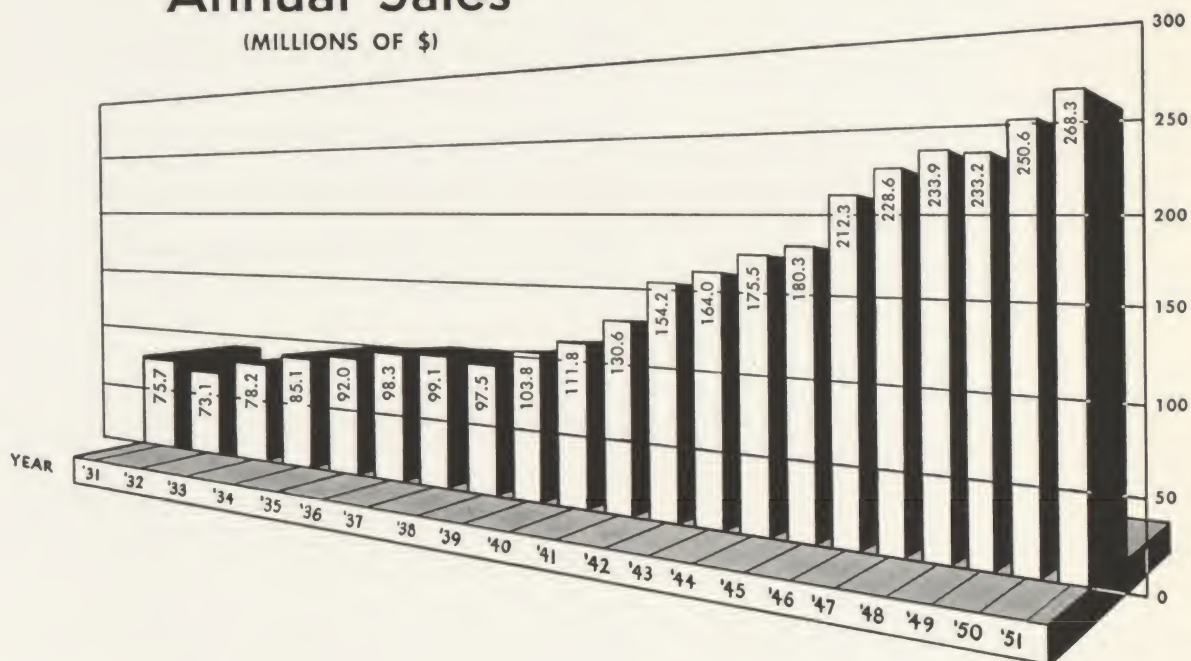
For 1950, the net earnings were \$8,102,551 or \$3.16 per share of common stock on 2,384,498 shares outstanding at the end of 1950.

The earnings for both years were computed on the LIFO method of valuing inventories.

The 1951 earnings before federal income taxes reached a new all-time peak of \$19,236,547, which was \$3,298,996 above the \$15,937,551 of the preceding year.

Annual Sales

(MILLIONS OF \$)



TAXES . . . For the year, federal income and excess profits taxes, which reflect the higher corporation tax rates in effect this year, amounted to \$11,720,000 or \$3,885,000 above the \$7,835,000 for 1950. Accordingly, the increase in taxes exceeded the increase in earnings before taxes by \$586,004.

The 1951 total consolidated provision for federal taxes on income equalled 60.9% of the earnings before taxes, compared to 49.2% for 1950.

The provision for federal taxes includes \$1,400,000 for the excess profits tax, calculated on taxable earnings in excess of the Company's 1951 base of approximately \$14,700,000.

DIVIDENDS . . . During 1951, regular quarterly dividends totalling \$3.75 per share were paid on the preferred stock. On the common stock, dividends totalling \$1.50 were paid during the fiscal year, the same as in the preceding fiscal year. During the fiscal year 1950, four quarterly dividends of 25¢ and an extra dividend of 50¢ were paid. In the 1951 fiscal year, a dividend of 25¢ was paid for the first quarter, then the quarterly dividend rate was raised to 37½¢ for the three remaining quarters, and an extra dividend of 12½¢ paid with the last quarterly dividend, making the total dividend \$1.50, as in preceding fiscal year. It is anticipated that future dividend payment months on the common stock will be April, July, October, and December, so that the four quarterly dividends of the Company's fiscal year will coincide with the calendar year.

The total amount of all dividends paid during the fiscal year 1951 was \$4,149,478 which compares with \$4,134,660 paid during the preceding fiscal year. The Company has paid dividends on its outstanding stock in every year since its founding in 1906.

FINANCIAL POSITION . . . As shown in the statement of financial position, that is included in this report, current assets at January 31, 1952 totalled \$57,528,882 which compares with \$58,693,161 at January 31, 1951.

Current liabilities at January 31, 1952 totalled \$15,966,464 which compares with \$16,981,422 at January 31, 1951.

Accordingly, working capital at the year end was \$41,562,418 compared with \$41,711,739 at the end of the preceding year.

Merchandise inventories on hand and in transit, valued on the LIFO method, totalled \$34,807,085 at January 31, 1952, which compares with \$35,708,947 at the end of the preceding year. The Company's merchandise position and buying continue on a conservative and normal turnover basis.

CAPITAL PROGRAM . . . In 1951, the Company continued its program of adding new stores, enlarging, relocating, and modernizing existing stores.

Expenditures for new construction and equipment totalled approximately \$12,137,000 for the year. Of this total, \$5,623,000 was recovered from landlords or will be repaid after completion of the buildings. Accordingly, the net capital expenditure for the year was \$6,514,000. This does not include expenditures for construction made directly by owners in preparing certain properties for our use.

During 1951, the Company continued to buy and develop properties for occupancy, and to sell them at approximately the costs to the Company, retaining occupancy under long-term leases. Under this program, 8 properties were sold and 12 properties were purchased during the year. In connection with these transactions, mortgages payable at the year end were \$808,587 lower than last year.

During the year, 8 stores were opened in new communities, and 3 small stores were permanently closed. As a result, there were 482 stores in operation at the year end compared with 477 at the end of the preceding year.

The stores opened in new communities were at Elizabeth, N. J., Levittown, N. Y., Long Beach, Calif., St. Louis Park, Minn., Southgate section of Milwaukee, Wis., Daytona Beach, Fla., Champaign, Ill., and El Monte, Calif.

In addition, new buildings were erected in fifteen communities on existing or relocated sites; seven stores were enlarged and modernized; thirty-three were equipped with modern lighting; and nineteen were air-conditioned. As a group, the stores opened during 1951 produced sales above expectations for the respective months of operation in 1951.

At the year end, work was under way in five new communities. In addition work had started in six communities where enlargements or relocations are under way. The development of additional 1952 projects will depend primarily on government restrictions on construction and the availability of materials during the year.

EMPLOYEES STOCK PURCHASE PLAN . . . Participation in the Employees Stock Purchase Plan has continued to increase the number of our employee stockholders. Of the 118,935 shares of unissued stock authorized for such purpose by the stockholders in 1950, 82,030 shares had been contracted for through January 31, 1952 by 564 employees. The value of the total contract prices of these shares was \$2,225,315. Through January 31, 1952, 17,255 shares had been fully paid for and issued, and there remained \$1,629,963 unpaid on contracts in force.

Offers of 5,995 shares were outstanding to 89 employees. Employees can accept the stock within a two year period. Stock is sold on a deferred payment basis at the approximate market price on the date the offer is accepted and the contract is signed.

30,910 shares now remain for future offerings. It is expected that an offering will be made in 1952 to those managers and executives newly qualified through length of service, and to previous participants, who, through promotion and performance, now qualify for additional shares.

PERSONNEL AND ORGANIZATION . . . For the year ended January 31, 1952, salaries and wages totalled \$42,118,572 which compares with \$38,370,166 for 1950. In addition, other employee benefits amounted to \$2,998,788 in 1951 compared to \$2,711,181 in 1950. The latter amounts include \$1,368,688 for 1951 and \$1,323,469 for 1950 Company contributions to the Employees Retirement Fund. Payments to the Fund include contributions for both current and prior service. Of the estimated cost of \$2,100,000 to cover benefits for service prior to 1942 when the plan was inaugurated, the Company has to date contributed \$1,700,000.

Early in 1952, the annual regional conventions for store managers were held, at which 1952 merchandise and operating opportunities were discussed. William T. Grant Achievement Awards were presented to store and district managers who achieved top ratings in performance and improvement contests for 1951. The conventions, in all respects, were the most successful ever held, from which plus results should accrue in 1952.

At the year end, there were approximately 20,700 employees, which compares with 20,000 last year, and includes part-time and extra employees. There were 578 employees with 20 or more years of service, including 194 with over 25 years of service. During 1951, suitably engraved gold watches were presented to 29 men and women who joined the 25 year group. There were 272 men and women serving in the armed forces at the year end on military leave of absence.

During 1951, store manager turnover was one of the lowest in our history. The capital program has offered our people bigger opportunities. Promotions, as a result, have been numerous. It is also of interest to note that at the year end, 40 of our stores were being successfully managed by women who started with the Company as store office and sales women.

A number of our managers were cited in their communities for unusual participation in community projects. All store managers are encouraged to take an active interest in their community affairs.

During the year seven managers and executives retired under the Employees Retirement Plan: S. A. Kaufman, Assistant Director of Merchandising, after 40 years of service; C. F. Hansen, Director of Research and Planning, after 28 years of service; J. B. Boyle, Vice President, after 11 years of service; T. J. Burns, Vice President, after 38 years of service; A. J. Williams, Store Manager, after 38 years of service; P. T. Gleason, Store Manager, after 36 years of service; and W. A. Fitzgibbon, Senior Buyer, after 31 years of service.

During the next three years, 11 additional managers and executives will reach normal retirement age. It is interesting to note that the average age of the top seventy administrative and field executives and senior buyers, is just under 47 years, and that their service with the Company averages 21 years.

On March 1, 1952, R. H. Fogler, President, retired after 25 years of service with the Company. His contribution to the Company's development, and especially to its personnel, is regarded by all employees and directors as outstanding. Mr. Fogler will remain a member of the Board of Directors.

At the Directors' Meeting on February 27, 1952, the Board elected Edward Staley, then Vice President and General Manager, to be the Company's new President and General Manager, effective March 1, 1952. His career with the Company started as a trainee in the Toledo, Ohio store in 1926. Since then, his progress and experience included the positions of Assistant Store Manager, Store Manager, Director of Merchandising, Director of Store Operations, and Vice President and General Manager.

During the year, J. Luther Knies, Merchandise Vice President, was elected to the Board of Directors, and at the February 27, 1952 meeting of the Board, William L. Kleitz, President of Guaranty Trust Company of New York, was elected a Director of the Company.

STOCKHOLDERS . . . At the year end, the common stock of the Company was owned by 6,123 stockholders, and the preferred stock, by 809 stockholders.

As of October 1951, the Company prepared a survey of its stockholders for the New York Stock Exchange, which indicated that the common stock was held by owners residing in 47 states, while the preferred stock was held by owners residing in 38 states.

This survey also showed that of 6,119 common stockholders at the time, 3,743 owned blocks of less than 100 shares, and that 2,414 of the owners were women. Of 785 preferred stockholders at the time, 612 owned blocks of less than 100 shares; and 207 of the owners were women.

GENERAL COMMENT . . . The year 1951 saw a return to more normal buying habits on the part of customers; more competition for the customer's dollar; increased costs of doing business, principally payroll; and exceedingly high taxes. Despite these challenging factors, the performance for the year was generally good.

We also realize that our suppliers had to face the same challenging factors we did, and for their continued cooperation in supplying us with real merchandise values under such conditions, we convey to them our sincere appreciation.

As we enter 1952, we continue to face the same problems that existed in 1951. However, we believe that, with national income continuing at current levels, the 1952 prospects for sales and earnings are favorable.



Chairman of the Board



President and General Manager

April 3, 1952

**HOW THE 1951
GRANT COMPANY
SALES DOLLAR
WAS DIVIDED**



73.1¢

To Suppliers,
Etc.

16.8¢

To Employees

5.7¢

For Taxes

1.6¢

For Wear
and Tear

1.5¢

To
Stockholders

1.3¢

Left in the
Business

COMPARATIVE TABLE ON DISTRIBUTION OF SALES DOLLAR

	1951	1950
For each dollar of sales	cents	cents
Suppliers, etc.*	73.1	74.4
Employee compensation and other benefits	16.8	16.4
Depreciation, maintenance, and repairs	1.6	1.5
Federal, state, and local taxes	5.7	4.5
Dividends to Stockholders	1.5	1.6
Earnings retained in the business	1.3	1.6
	—	—
	\$1.00	\$1.00

*Suppliers, etc. — includes merchandise costs, supplies, rents, and outside services.

W. T. GRANT COMPANY

and Subsidiary Consolidated

STATEMENT OF OPERATIONS

Fiscal Years Ended January 31,

	1952	1951
SALES.....	\$268,332,908	\$250,573,987
Cost of merchandise sold and operating expenses.....	<u>245,979,059</u>	<u>231,689,882</u>
	\$ 22,353,849	\$ 18,884,105
DEDUCT:		
Depreciation and amortization.....	2,953,494	2,604,973
Interest paid, less interest earned of \$124,248 and \$88,110, respectively.....	41,105	40,967
Other deductions — (net).....	122,703	300,614
Provision for federal taxes on income, including \$1,400,000 and \$445,000, respectively, for excess profits tax (Note B).....	<u>11,720,000</u>	<u>7,835,000</u>
	\$ 14,837,302	\$ 10,781,554
NET EARNINGS FOR THE YEAR.....	\$ 7,516,547	\$ 8,102,551
DEDUCT:		
Cash dividends:		
On 3¾% Cumulative Preferred Stock:		
Four quarterly dividends of 93¾¢ each per share.....	562,506	562,506
On Common Stock:		
One quarterly dividend of 25¢ and three of 37½¢ each per share.....	3,287,712	
Four quarterly dividends of 25¢ each per share..		2,380,812
Extra dividend paid in December of 12½¢ and 50¢, respectively, per share.....	<u>299,260</u>	<u>1,191,342</u>
TOTAL DIVIDENDS.....	\$ 4,149,478	\$ 4,134,660
EARNINGS FOR YEAR RETAINED FOR USE IN THE BUSINESS..	\$ 3,367,069	\$ 3,967,891
ADD:		
Earnings of prior years retained for use in the business.....	<u>46,926,715</u>	<u>42,958,824</u>
ACCUMULATED EARNINGS RETAINED FOR USE IN THE BUSINESS AT END OF YEAR.....	<u>\$ 50,293,784</u>	<u>\$ 46,926,715</u>

(See notes to financial statements)

W. T. GRANT COMPANY

and Subsidiary Consolidated

STATEMENT OF

ASSETS

	January 31,	
	1952	1951
CURRENT ASSETS		
Cash	\$ 14,342,503	\$ 15,449,740
United States Government securities — at redemption value	295,393	925,992
Accounts receivable:		
Customers installment accounts, less allowance of \$639,417 and \$634,885, respectively	5,754,753	5,713,963
Other accounts receivable, claims, etc.	2,329,148	894,519
	<u>\$ 8,083,901</u>	<u>\$ 6,608,482</u>
Merchandise inventories (including merchandise in transit) — at cost as determined principally by the last-in, first-out (LIFO) method (Note A)	34,807,085	35,708,947
TOTAL CURRENT ASSETS	\$ 57,528,882	\$ 58,693,161
OTHER ASSETS		
Building costs to be repaid by landlords	2,728,719	2,427,262
Cash surrender value of life insurance	2,426,409	2,341,223
Recoverable taxes if retroactive LIFO is not sustained (Note A)	1,268,000	1,268,000
Real estate mortgages receivable	135,750	144,750
Sundry accounts and investments	180,691	158,363
TOTAL OTHER ASSETS	\$ 6,739,569	\$ 6,339,598
STORE PROPERTIES, FIXTURES AND IMPROVEMENTS		
Land, at cost	6,383,943	6,964,777
Buildings, at cost	3,420,109	3,552,924
Less allowance for depreciation	936,853	1,139,235
	<u>\$ 2,483,256</u>	<u>\$ 2,413,689</u>
Furniture and fixtures, at cost	22,274,736	17,905,650
Less allowance for depreciation	7,922,661	6,577,525
	<u>\$ 14,352,075</u>	<u>\$ 11,328,125</u>
Alterations and improvements to leased properties (remaining cost being amortized over a period not in excess of the terms of the leases involved)	12,699,519	12,259,170
TOTAL STORE PROPERTIES, FIXTURES AND IMPROVEMENTS	\$ 35,918,793	\$ 32,965,761
DEFERRED CHARGES		
Prepaid taxes, rents and insurance, supplies, etc.	1,694,347	1,575,701
	<u>\$101,881,591</u>	<u>\$ 99,574,221</u>

FINANCIAL POSITION

LIABILITIES AND CAPITAL

	January 31,	
	1952	1951
CURRENT LIABILITIES		
Accounts payable, including liability for merchandise in transit	\$ 12,332,006	\$ 13,421,653
Real estate mortgages and mortgage bonds payable within one year	276,866	514,930
Accrued liabilities	2,719,641	3,044,839
Federal taxes on income — estimated, less United States Savings Notes amounting to \$12,126,524 and \$8,283,757, respectively (Note B)	637,951	— 0 —
TOTAL CURRENT LIABILITIES	\$ 15,966,464	\$ 16,981,422
DEFERRED LIABILITIES		
Real estate mortgages and mortgage bonds payable after one year	2,758,865	3,329,388
RESERVES		
For reduction in inventory valuation, less tax refunds, if retroactive LIFO is sustained (Note A)	3,214,118	3,214,118
For uninsured risks	1,366,616	1,215,909
For repainting stores	806,183	755,683
TOTAL RESERVES	\$ 5,386,917	\$ 5,185,710
CAPITAL		
Capital Stock:		
Cumulative Preferred — \$100 par value (Note C):		
Authorized 250,000 shares		
Issued 150,000 shares of 3¾% series	15,000,000	15,000,000
Common — \$5 par value (Note D):		
Authorized 3,000,000 shares		
Issued 2,398,363 and 2,386,898 shares, respectively, (both including 2,400 shares in treasury)	11,979,815	11,922,490
Capital paid in excess of par value of shares issued	365,664	113,824
Amounts paid by officers and employees under contracts for 64,775 and 62,890 shares, respectively, of unissued Common Stock	130,082	114,672
	\$ 12,475,561	\$ 12,150,986
Earnings retained for use in the business — \$15,295,784 earned prior to formation of the parent company on November 27, 1937, and the remainder, \$34,998,000 and \$31,630,931, respectively, earned subsequently (Note C)	50,293,784	46,926,715
TOTAL CAPITAL	\$ 77,769,345	\$ 74,077,701
CONTINGENT LIABILITIES		
The subsidiary, W. T. Grant Realty Corporation, is contingently liable on mortgages, aggregating \$130,437 at January 31, 1952 created by it covering two store properties subsequently sold subject thereto and now under lease to W. T. Grant Company. There are no other contingent liabilities except those incident to the normal course of the companies' business.		
	\$101,881,591	\$ 99,574,221

(See notes to financial statements)

NOTES TO FINANCIAL STATEMENTS

January 31, 1952

NOTE A — The accompanying financial statements reflect adoption as of January 31, 1950 of the last-in, first-out (LIFO) method of determining cost of inventories. However, the Company's claim to the right to use LIFO retroactively to 1941 is still pending and the accompanying statement of financial position includes the amount of \$1,268,000 for taxes recoverable if retroactive LIFO is not sustained and the reserve of \$3,214,118 for reduction in inventory valuation, less tax refunds, if retroactive LIFO is sustained. The balances in both of these accounts resulted from the accounting adjustments which reflected the adoption of LIFO as of January 31, 1950. These balances have remained unchanged as adjustments for 1950 and 1951, which would be applicable only in the event that retroactive LIFO is sustained, have been relatively immaterial. A more detailed explanation appeared in the notes to financial statements in the report for the fiscal year ended January 31, 1951.

NOTE B — The Company's federal income and excess profits tax returns have been examined by the Treasury Department for fiscal years through January 31, 1948 except with respect to the retroactive application of inventory pricing as explained in Note A. The aggregate provision for taxes included under current liabilities is believed adequate for remaining open years.

In accordance with the practice followed since inauguration in 1946, gross profits on sales on the installment basis are reflected in the financial statements of the Company when the sales are made, whereas for federal income tax purposes, such gross profits are taken into account as collections are received. At January 31, 1952, the amount of approximately \$1,150,000 for deferred federal taxes on installment sales is included in current liabilities.

NOTE C — The 3¾% Cumulative Preferred Stock is redeemable at the Company's option in whole or in part at any time at \$102 per share to August 1, 1953, \$101 per share to August 1, 1955, and \$100 (par value) per share thereafter, plus, in each case, accrued dividends to date of redemption.

So long as any of the Cumulative Preferred Stock shall remain outstanding, the sum of dividends (other than stock dividends) paid on, and amounts expended for acquisition of, Common Stock from January 31, 1945, are not to exceed the aggregate of (1) consolidated net earnings since January 31, 1945, (2) \$5,000,000, and (3) net proceeds from sale after January 31, 1945 of any shares of stock ranking junior to the Cumulative Preferred Stock. At January 31, 1952 the portion of earnings retained for use in the business not subject to this restriction amounted to approximately \$36,000,000.

NOTE D— Under the Employees Stock Purchase Plan, approved by the Company's stockholders on April 18, 1950, there was authorized the issuance of not more than 118,935 shares of unissued Common Stock to be offered to employees under the Plan.

The total offerings made to January 31, 1952 covered 88,025 shares (net after cancellations of 4,440 shares due to terminations of employment), leaving 30,910 shares available for future offerings.

At January 31, 1952, of the 88,025 shares offered, the Company had entered into contracts for the sale, on a deferred payment basis, of 82,030 shares at approximate market prices at dates of contracts, aggregating \$2,225,315, and the remaining 5,995 shares were subject to acceptance within two years after the offerings.

At January 31, 1952, 17,255 shares had been fully paid for and issued and the unpaid balance for the remaining 64,775 shares amounted to \$1,629,963.

NOTE E— The total remaining unpaid balance of Company contributions on account of past service benefits under the Employees Retirement Plan, which was established in 1942, has been reduced to approximately \$400,000.

NOTE F— At January 31, 1952, the Company was lessee of real property owned by persons other than its subsidiary, under 496 leases expiring subsequently to January 31, 1955, at aggregate annual minimum rentals of approximately \$8,330,000 (exclusive of taxes and other expenses payable under terms of certain of the leases). This amount includes approximately \$2,339,000 minimum annual rentals under 116 leases which were on a percentage of sales basis with specified minimum annual rentals, but does not include any amount for five leases which were on a percentage of sales basis without any specified minimum annual rentals.

AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS,
W. T. GRANT COMPANY,
NEW YORK, N. Y.**

We have examined the statement of financial position of W. T. Grant Company and subsidiary consolidated as of January 31, 1952, and the statement of operations of the Company and subsidiary consolidated for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying financial statements present fairly the position of W. T. Grant Company and subsidiary consolidated at January 31, 1952, and the results of their operations for the year, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

ERNST & ERNST

New York, N. Y., April 1, 1952

HIGHLIGHTS

OF

45

YEARS

OF

GROWTH

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Since the first

Grant Store

Opened at

Lynn, Mass.

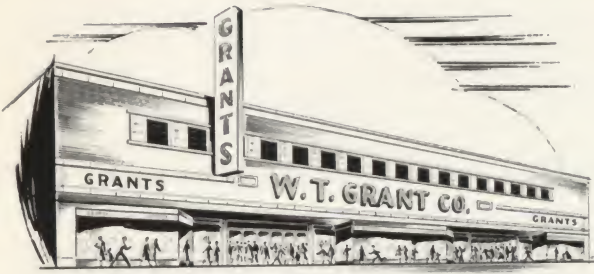
December, 1906

YEAR	NO. OF STORES	TOTAL SALES	SALES PER STORE	TOTAL ASSETS
1907	1	\$ 99,478	\$99,478	\$ 30,000
1908	2	169,154	84,577	80,000
1909	4	398,778	99,694	125,000
1910	6	752,781	125,463	187,132
1911	9	1,043,503	115,944	243,988
1912	12	1,361,539	113,462	410,972
1913	16	2,000,908	125,057	508,819
1914	20	2,565,296	128,265	638,788
1915	23	3,061,690	133,117	772,367
1916	25	3,659,779	146,391	1,015,660
1917	30	4,510,776	150,359	1,485,456
1918	32	6,029,083	188,409	1,402,232
1919	33	7,941,688	240,657	2,147,506
1920	38	10,192,535	268,225	2,480,409
1921	45	12,728,412	282,854	2,985,950
1922	50	15,382,631	307,653	3,912,719
1923	60	20,625,389	343,756	5,859,597
1924	70	25,316,334	361,662	8,098,738
1925	77	30,411,399	394,953	9,633,835
1926	109	36,074,504	330,959	11,078,491
1927	157	43,743,929	278,624	13,221,085
1928	221	55,690,784	251,994	18,461,730
1929	279	65,902,419	236,209	24,833,276
1930	350	71,376,487	203,933	27,628,271
1931	404	75,679,203	187,325	29,926,357
1932	446	73,086,856	163,872	30,320,334
1933	457	78,206,119	171,129	33,118,111
1934	465	85,069,612	182,945	34,574,973
1935	471	91,981,814	195,290	35,698,996
1936	477	98,346,043	206,176	38,617,805
1937	480	99,059,920	206,375	39,699,656
1938	489	97,516,419	199,420	41,181,727
1939	492	103,761,685	210,898	42,260,296
1940	492	111,774,965	227,185	47,103,823
1941*	495	130,555,907	263,749	57,086,929
1942	493	154,204,453	312,788	56,368,072
1943	493	163,983,317	332,623	59,212,224
1944	490	175,460,824	358,083	63,511,727
1945	488	180,306,612	369,481	72,201,533
1946	484	212,324,212	438,686	75,414,193
1947	483	228,636,024	473,367	81,128,896
1948	482	233,904,425	485,279	84,059,288
1949	480	233,167,686	485,766	91,187,694
1950	477	250,573,987	525,312	99,574,221
1951	482	268,332,908	556,707	101,881,591

* From 1941 on, respective data is on LIFO Basis.

NET WORTH	PRE-TAX EARNINGS	FEDERAL TAXES	NET EARNINGS		DIVIDENDS	YEAR
			TOTAL	PER SALES \$		
\$ 19,461	\$ 9,789	\$ —	\$ 9,789	9.8¢	\$ 8,000	1907
59,738	16,277	—	16,277	9.6	10,000	1908
96,563	29,070	245	28,825	7.2	22,000	1909
155,012	16,523	119	16,404	2.1	27,955	1910
170,732	27,384	161	27,223	2.6	11,503	1911
314,957	26,599	214	26,385	1.9	32,159	1912
364,546	81,422	847	80,575	4.0	29,486	1913
429,429	97,882	938	96,944	3.8	27,973	1914
515,023	191,014	1,800	189,214	6.2	103,500	1915
671,564	185,909	3,600	182,309	5.0	40,500	1916
758,641	154,179	44,000	110,179	2.4	43,500	1917
819,696	205,345	96,500	108,845	1.8	46,500	1918
1,506,697	483,484	154,000	289,484	3.7	105,939	1919
1,668,908	365,828	91,000	274,828	2.7	123,750	1920
2,125,671	406,270	110,000	296,270	2.3	132,475	1921
3,261,445	707,654	96,500	611,154	4.0	172,611	1922
5,066,127	1,565,837	205,000	1,360,837	6.6	405,526	1923
6,832,195	1,623,504	206,000	1,417,504	5.6	590,293	1924
8,142,294	2,218,049	305,000	1,913,049	6.3	562,837	1925
9,645,860	2,537,472	345,000	2,192,472	5.9	557,561	1926
11,416,402	2,754,239	367,900	2,386,339	5.5	568,895	1927
14,926,094	3,216,708	389,000	2,827,708	5.1	565,818	1928
20,501,677	3,420,478	380,000	3,040,478	4.6	700,519	1929
22,970,931	3,836,874	463,245	3,373,629	4.7	1,187,830	1930
24,799,289	3,542,148	434,500	3,107,648	4.1	1,195,355	1931
25,154,947	1,849,230	237,154	1,612,076	2.2	1,195,355	1932
27,235,538	3,860,490	513,315	3,347,175	4.3	1,195,355	1933
28,595,192	3,013,082	396,880	2,616,202	3.1	1,195,355	1934
30,435,244	3,869,866	535,620	3,334,246	3.6	1,494,194	1935
32,160,771	5,790,783	1,196,405	4,594,379	4.7	2,868,852	1936
34,359,325	4,252,725	851,000	3,401,725	3.4	2,353,772	1937
34,800,293	3,474,424	708,000	2,766,424	2.8	2,311,064	1938
36,016,683	4,784,996	960,000	3,824,996	3.7	2,608,456	1939
37,579,076	5,068,211	1,526,000	3,542,211	3.2	2,013,925	1940
38,957,261	7,646,372	3,633,000	4,013,372	3.1	2,727,538	1941*
40,055,540	6,263,775	3,151,500	3,112,275	2.0	2,013,926	1942
41,616,879	9,146,275	5,571,000	3,575,275	2.2	2,013,926	1943
43,385,368	12,675,425	8,893,000	3,782,425	2.2	2,013,926	1944
52,099,553	11,503,905	7,491,000	4,012,905	2.2	2,172,512	1945
55,507,951	14,859,061	5,655,000	9,204,061	4.3	5,795,663	1946
58,189,504	10,851,122	4,039,000	6,812,122	3.0	4,130,569	1947
64,547,456	15,246,167	5,947,000	9,299,167	4.0	2,941,215	1948
69,852,364	15,545,477	6,110,000	9,435,477	4.0	4,130,569	1949
74,077,701	15,937,551	7,835,000	8,102,551	3.2	4,134,660	1950
77,769,345	19,236,547	11,720,000	7,516,547	2.8	4,149,478	1951

NEW STORES IN NEW COMMUNITIES.



WATERBURY, CONN.

Grants capital and improvement program reached a post-war peak in 1951. With a large number of projects initiated before government restrictions, it was possible to complete 26 major construction jobs in this year. Eight modern Grant stores were opened in new communities. Those at Levittown, N. Y., Long Beach, Calif., El Monte, Calif., St. Louis Park, Minn., and the Southgate section of Milwaukee, Wis., are prominent units in new park-and-shop developments. Stores in Elizabeth, N. J., Champaign, Ill., and Daytona Beach, Fla., are in impressive downtown locations.



HEMPSTEAD, N. Y.

Numerous Grant stores were improved in 1951. Thirty-three were given new lighting. Air-conditioning was installed in 19 additional stores. In the following cities, Grant stores were enlarged and extensively remodeled: Camden, N. J., Orlando, Fla., Manchester, Conn. Perhaps in no other single year has the company been able to accomplish so much in improving its stores. It is expected that the 1951 program will contribute considerably to Grants sales and competitive position.

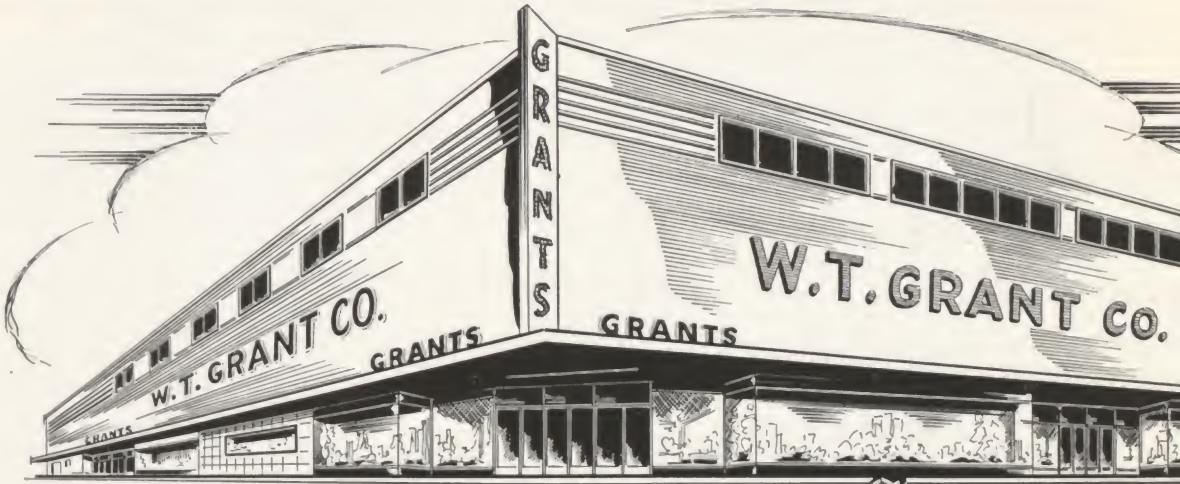


LEVITTOWN, N. Y.



KANSAS CITY, MO.

NEW BUILDINGS IN ESTABLISHED TOWNS

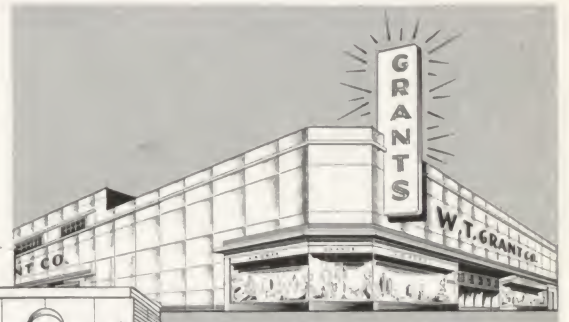


JACKSONVILLE, FLA.

In fifteen communities Grants erected new buildings on existing sites or at new locations. Those in Kansas City, Mo., Waterbury, Conn., Worcester, Mass., Norfolk, Va., Hempstead, L. I., and Jacksonville, Fla., rank among the company's "top fifty" stores for size and volume. Hempstead is believed to be the largest single-floor variety store in the world. New buildings were also occupied in: West Warwick, R. I., Mt. Holly, N. J., Johnstown, Pa., Lincoln, Nebr., Milford, Conn., Glens Falls, N. Y., Honesdale, Pa., Palmerton, Pa., Canton, Ohio. In Canton and Johnstown, only portions of the proposed expanded stores were opened in 1951. The balance of added space is scheduled for opening in 1952.



NORFOLK, VA.



EL MONTE, CALIF



WORCESTER, MASS.



W. T. GRANT CO.

1441 BROADWAY

NEW YORK, N. Y.

